
MEMORANDUM

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To: *General Government Subcommittee*

From: *John Borden, Legislative Fiscal Office*
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Date: *May 15th, 2013*

Subject: *HB 3487*
Public Hearing

House Bill 3487 is related to vesting in the pension program of the Oregon Public Service Retirement Plan. The measure has an emergency clause and is effective on passage.

The measure allows police officer and firefighter members of Public Employees Retirement System killed in the line of duty to be considered vested under pension program of Oregon Public Service Retirement Plan.

The measure was referred to Joint Committee on Ways and Means by prior reference from the House Committee on Business and Labor.

The measure and policy committee staff measure summary are available on the Oregon Legislative Information System (OLIS) and also included in the LFO electronic packet of materials. The measure has no revenue impact and a minimal fiscal impact.

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass and Be Referred to the Committee on Ways and Means by Prior Reference
Vote:	10 - 0 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thatcher, Thompson, Weidner, Witt, Doherty
Nays:	0
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	4/15

WHAT THE MEASURE DOES: Allows police officer and firefighter members of Public Employees Retirement System killed in the line of duty to be considered vested under pension program of Oregon Public Service Retirement Plan. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Narrow application to police and firefighters
- Whether other occupations should receive same consideration

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: Under current law, a member of the Oregon Public Service Retirement Plan (OPSRP) becomes vested in the pension program when the member completes at least 600 hours of service in each of five calendar years or when an active member reaches the normal retirement age for the member. If a vested member dies before reaching retirement age, the Public Employees Retirement System (PERS) Board must pay the death benefit to the spouse or any other person who is constitutionally required to be treated as a spouse. The death benefit will be for the life of the spouse and will be the actuarial equivalent of half of the pension that would otherwise have been paid to the deceased member.

House Bill 3487 establishes that an OPSRP member is to be considered vested for all purposes under the pension program if, at the time of death, they meet the following criteria:

- Served as a police officer or firefighter who was an active OPSRP member;
- Killed in the line of duty; and
- Had not otherwise vested in the pension program.

PERS statutes contain a broad definition of police officer, including but not limited to certain employees at the Department of Corrections, certain parole and probation officers, airport police, livestock police, employees of Department of Public Safety Standards and Training who are not clerical or secretarial, certain Department of Justice investigators, Oregon Lottery enforcement officers, and certain employees at youth correction/detention facilities.

4/16/2013 10:18:00 AM

This summary has not been adopted or officially endorsed by action of the committee.

House Bill 3487

Sponsored by Representatives MATTHEWS, BARTON, JENSON, SMITH, THOMPSON, WITT

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Allows police officer and firefighter members of Public Employees Retirement System killed in line of duty to be considered vested for all purposes under pension program of Oregon Public Service Retirement Plan.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to vesting in the pension program of the Oregon Public Service Retirement Plan; and de-
3 claring an emergency.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1. Section 2 of this 2013 Act is added to and made a part of ORS chapter 238A.**

6 **SECTION 2. Notwithstanding ORS 238A.115, a deceased member of the Public Employees**
7 **Retirement System shall be considered vested for all purposes under the pension program if:**

8 (1) **At the time of death the member was a police officer or a firefighter who was an**
9 **active member of the system;**

10 (2) **The member was killed in the line of duty; and**

11 (3) **At the time of death the member was not otherwise vested in the pension program**
12 **under ORS 238A.115.**

13 **SECTION 3. Section 2 of this 2013 Act applies only to members of the Public Employees**
14 **Retirement System who are killed in the line of duty on or after the effective date of this**
15 **2013 Act.**

16 **SECTION 4. This 2013 Act being necessary for the immediate preservation of the public**
17 **peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect**
18 **on its passage.**

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NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.